

Performance Commentary

The increased volatility in August brought with it further uncertainty around global growth and trade war concerns. SKAGEN Vekst lagged the combined index over the course of August. Asset classes which have historically been associated with less volatility and a risk-off sentiment rose to new highs and the favourite asset among the risk averse – gold – rose to a 5-year high. The Nordic markets remained mainly unchanged, except the Danish market where sectors associated with more defensive attributes, like pharma, provided a safe haven for equity investors. We took advantage of the volatile market and reduced our exposure to Carlsberg after the share price rose approx. 50% year to date. Here investors continue to appreciate the potential for continued growth in Asia and improved profitability. We have gradually reduced our exposure as the stock has approached our price target, but still think there is more to be gained from the Danish brewery giant. We also reduced our holdings in the Danish giants Novo Nordisk and DSV after strong share price performance on the back of quarterly figures. We increased our exposure to selective EM names where we see strong balance sheets and solid business models. Largest amongst these were the Chinese mobile operator China Mobile.

The fund selects low-priced, high-quality companies in the Nordic region and from around the world.

The objective is to provide the best possible risk adjusted return.

The fund is suitable for those with at least a five year investment horizon.

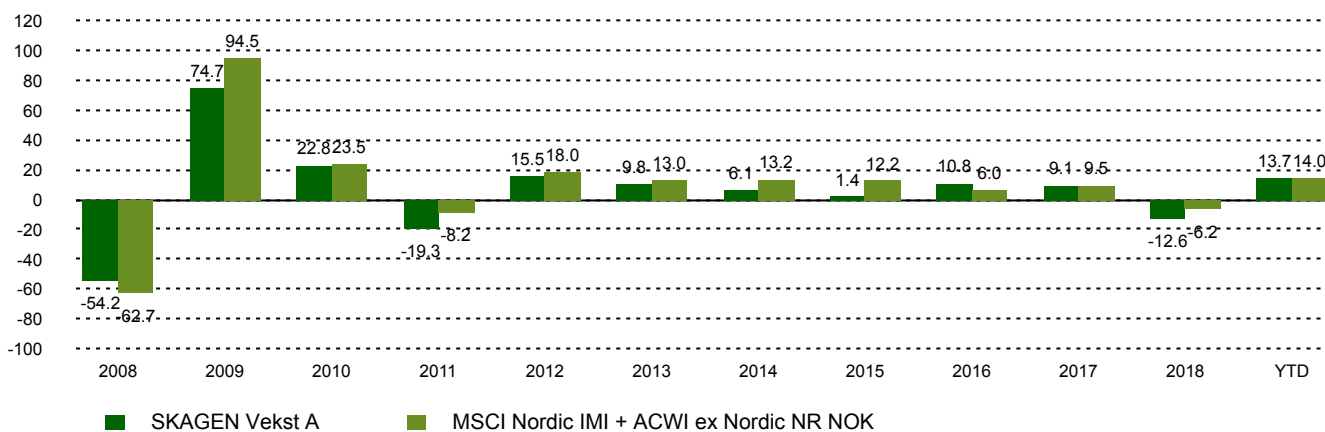
Historical performance (net of fees)

Period	SKAGEN Vekst A	Benchmark index
Last month	-3.2%	-1.8%
Year to date	13.7%	14.0%
Last year	-1.4%	0.7%
Last 3 years	5.3%	7.2%
Last 5 years	3.1%	7.4%
Last 10 years	6.8%	11.8%
Since start	12.5%	9.4%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	01.12.1993
Morningstar category	Global Flex-Cap Equity
ISIN	NO0008000445
NAV	247.91 EUR
Fixed management fee	1.00%
Total expense ratio (2018)	1.00%
Benchmark index	MSCI Nordic IMI + ACWI ex Nordic NR NOK
AUM (mill.)	714.86 EUR
Number of holdings	52
Portfolio manager	Søren Christensen

Performance last ten years



■ SKAGEN Vekst A ■ MSCI Nordic IMI + ACWI ex Nordic NR NOK

See next page for info about fund's mandate change.

Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Tyson Foods Inc	1.91	0.37
Carlsberg A/S	2.55	0.32
Kinnevik AB	3.18	0.31
Holmen AB	1.73	0.24
Bonheur ASA	4.30	0.23



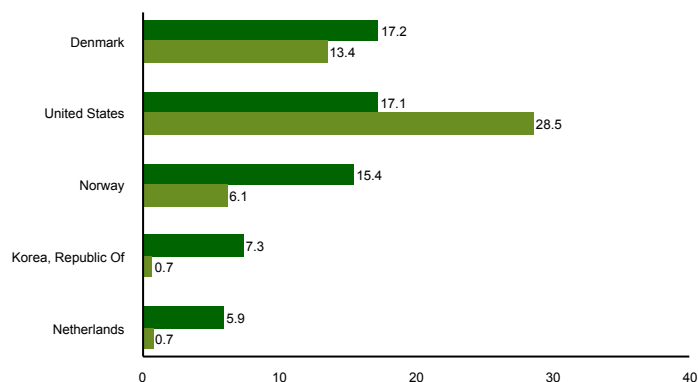
Largest detractors

Holding	Weight (%)	Contribution (%)
Northern Drilling Ltd	1.27	-0.51
FLEX LNG Ltd	1.99	-0.44
Borr Drilling Ltd	0.73	-0.43
Golar LNG Ltd	1.25	-0.42
Royal Dutch Shell PLC	3.44	-0.27

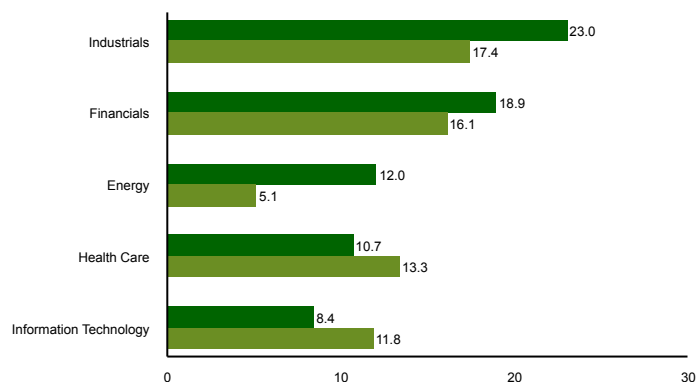
Top ten investments

Holding	Sector	Country	%
Novo Nordisk A/S	Health Care	Denmark	6.5
Bonheur ASA	Industrials	Norway	4.5
Citigroup Inc	Financials	United States	4.5
Samsung Electronics Co Ltd	Information Technology	Korea, Republic Of	4.0
Yara International ASA	Materials	Norway	3.9
Royal Dutch Shell PLC	Energy	Netherlands	3.4
Kinnevik AB	Financials	Malaysia	3.3
CK Hutchison Holdings Ltd	Industrials	Hong Kong	3.1
DSV A/S	Industrials	Denmark	2.9
American International Group Inc	Financials	United States	2.9
Combined weight of top 10 holdings			38.8

Country exposure (top five)



Sector exposure (top five)



■ SKAGEN Vekst A
 ■ MSCI Nordic IMI + ACWI ex Nordic NR NOK
 ■ SKAGEN Vekst A
 ■ MSCI Nordic IMI + ACWI ex Nordic NR NOK

Contact



+47 51 80 37 09



contact@skagenfunds.com



SKAGEN AS, Post Box 160, 4001, Stavanger, Norway

Important information

This report is intended for investment professionals only. The content is not to be viewed by or used with retail investors. Unless otherwise stated, performance data relates to class A units and is net of fees. AUM data as of the end of the previous month. Except otherwise stated, the source of all information is SKAGEN AS. Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skills, the fund's risk profile and subscription and management fees. The return may become negative as a result of negative price developments. You can download more information including subscription/redemption forms, full prospectus, Key Investor Information Documents (KIID), General Commercial Terms, Annual Reports and Monthly Reports from our local websites or our local representatives. Statements reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice. This report should not be perceived as an offer or recommendation to buy or sell financial instruments. SKAGEN AS does not assume responsibility for direct or indirect loss or expenses incurred through use or understanding of this report. Employees of SKAGEN AS may be owners of securities issued by companies that are either referred to in this report or are part of a fund's portfolio. Svenska Handelsbanken AB (publ), Luxembourg Branch, 15, Rue Bender, L-1229 Luxembourg (org.no. B0039099) is the Paying Agent in Luxembourg.

Effective 1/1/2014, the Fund's investment mandate changed from investing a minimum of 50% of its funds in Norway to investing a minimum of 50% of its funds in the Nordic countries. This means that returns prior to the change were achieved under different circumstances than they are today. Prior to 1/1/2014, the benchmark index was an evenly composed benchmark index consisting of the Oslo Stock Exchange Benchmark Index (OSEBX) and the MSCI All Country World. The benchmark index prior to 1/1/2010 was the Oslo Stock Exchange Benchmark Index (OSEBX).

The art of common sense